GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4059
ANSWERED ON:09.12.2016
SIDBI Fund to MSME
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Will the Minister of FINANCE be pleased to state:

(a) Whether the Small Industries Development Bank of India (SIDBI) has set up a fund under Make in India programme for Micro, Small & Medium Enterprises (MSME) sector;
(b) if so, the details thereof and the role of SIDBI in micro financing sector ;
(c) whether the SIDBI has identified the MSME units for providing loans at concessional rates under the said scheme;
(d) if so, the details thereof, State/UT-wise including Jharkhand; and
(e) the steps taken by the Government in this regard ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) & (b) :
Small Industries Development Bank of India (SIDBI) has set up a 'Make in India Fund [MII Fund]' of Rs.1,000 crore out of its own resources which became operational in July 2015. SIDBI has also launched "SIDBI Make in India Soft Loan Fund for Micro, Small & Medium Enterprises (SMILE)" with a corpus of Rs. 10,000 crore with the objective to provide soft loan, in the nature of quasi-equity and term loan to Micro, Small and Medium Enterprises (MSMEs) to take forward 'Make in India' campaign.
SIDBI provides loans and capacity building support to Micro Finance Institutions (MFIs) for on-lending to the economically disadvantaged people, mostly women.
(c) to (e) :
MII Fund targets new and existing MSMEs falling under the sectors identified within the Make In India Programme. Loans extended through the MII Fund are entitled to a concession of 50 basis points on the applicable interest rate. State wise details of credit extended by SIDBI under MII and SMILE fund is at Annex.